



State of Louisiana

Division of Administration
Office of the Commissioner

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Contact: Gregory Dupuis, 225-342-7038 or 337-501-0902

Road Home to Provide Additional Resources, Assistance to Program Participants

BATON ROUGE – The State of Louisiana's Office of Community Development, Disaster Recovery Unit announced today it has collaborated with HUD on a plan providing for additional construction assistance and administrative remedies for Road Home grant recipients who have not yet returned to their homes, not yet elevated, or are otherwise non-compliant with the Road Home Program.

The plan also sets the course for aggressive implementation of recovery processes for grantees who continue to be non-compliant. For those homeowners who have not returned and do not or cannot participate in this additional assistance, the State's recovery processes will address the homeowner's repayment liability through collection and recapture.

"As the 10th anniversary of the landfall of hurricanes Katrina and Rita approaches, the State and HUD have worked closely together to ensure the successful close out of the Road Home program," said OCD-DRU Executive Director Pat Forbes. "While more than 94 percent of the over 119,000 Road Home grant recipients who chose to rebuild are back in their homes, there are still challenges that we will be able to meet with this proposal for additional construction assistance and administrative remedies, as well as full implementation of our recovery processes."

Forbes said challenges still exist for those who want to, but have not been able to return home; for those who received a Road Home Elevation Incentive grant but have not been able to elevate; for those who received an Option 1 grant and decided not to rebuild, but need to get compliant; and for those who utilized their elevation grants to rebuild their homes, but have been unable to produce the receipts required for reclassification of the grant.

The State and HUD have worked closely together with input from legislators and non-profits to develop a Plan of Action for the close-out of the Road Home Homeowner Assistance Program. This plan includes the following initiatives:

- For those homeowners who had to use a large portion of their Road Home grant for housing expenses while they were trying to get their homes rebuilt, and who are still non-compliant for occupancy or elevation:
 - OCD-DRU is submitting an Action Plan Amendment allowing up to two years of interim housing expenses incurred while homeowners waited to get back into their homes to count as an unmet need in the program. These families will have access to additional resources targeted at repairing or rebuilding, as well as reclassification of their elevation grant (this Action Plan Amendment will be published for comment by mid-September);
- For those who have not been able to return home, but still wish to, additional funding sources to fill homeowner resource gaps for construction through the Nonprofit Rebuilding Pilot Program administered through the Louisiana Housing Corporation or the Road Home construction management program. Funds for this activity will come from remaining unobligated Road Home funds (around \$30 million), and other sources, such as return of grant and program income, as they become available;
- For those who received the Road Home Elevation Incentive grant and have not yet elevated due to lack of sufficient funds, additional funding will be provided under FEMA's hazard mitigation grant program and other programs to complete those elevations. These funds will come from the remaining funds from the existing Road Home HMGP, as well as other HMGP funds that become available through de-obligation;
- For those homeowners who spent their Road Home Elevation Incentive grants on repairing their homes but have been unable to produce the required receipts, the program will now be able to conduct an inspection to verify completed work and expenditures, removing the need for receipts for reclassification of their RHEI grants;
- For those grantees who chose Option 1, but are either unable or unwilling to rebuild, there will be additional ways to convert to Option 2 or 3, or to go through a voluntary adjudication process for transfer of their property to the local jurisdiction; and
- For households of low-to-moderate income that have not yet been able to return home, additional construction funds may be available for repair, reconstruction or elevation needs in excess of the \$150,000 cap imposed by the Road Home program, in exchange for a repayment of the extra amount from a later sale of the property.

These measures are intended to provide additional avenues for existing Road Home grant recipients to return home and/or to elevate, and to become compliant with the program. The plan does not provide for new Road Home applicants to enter the program, nor does it provide additional compensation grants. Additional assistance will be provided through a construction program.

Road Home and Liaison staff will continue to work with homeowners to help them determine their best path forward, and they will now have additional tools.

The Disaster Recovery Unit within the Office of Community Development is dedicated to helping Louisiana's citizens recover from hurricanes Katrina, Rita, Gustav, Ike and Isaac. As the State's central point for hurricane recovery, the

OCD-DRU manages the most extensive rebuilding effort in American history, working closely with local, state and federal partners to ensure that Louisiana's recovery is complete, secure, and sustainable.

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